

REMARKS

This application has been reviewed in light of the Office Action dated November 1, 2005. Claims 1-20 are presented for examination, of which Claims 1 and 11 are in independent form. Claims 1, 3, 6, 11, 13, 18 and 20 have been amended to define Applicants' invention more clearly. Favorable reconsideration is requested.

In the Office Action, Claim 1 was rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,777,109 (*Stimson et al.*), and Claims 2-20 were rejected under § 103(a) as being unpatentable over *Stimson et al.*, in view of U.S. Patent No. 6,629,135 (*Ross, Jr. et al.*). Applicants submit that independent Claims 1 and 11, together with the claims dependent thereon, are patentably distinct from the cited prior art for at least the following reasons.

Applicants point to Claim 1, which is directed to “[a] system for automatically establishing a merchant account for transaction card usage” including “a central hub and communication means for providing communication between an agent and a transaction card issuer/processor for submitting a merchant application for approval for the merchant to transact commerce with a customer who uses a transaction card”. By virtue of the features of Claim 1, a transaction card issuer/processor can receive merchant account applications in a usable form such that the decision to approve or deny the merchant request can be accomplished quickly.

Stimson, as understood by Applicants, is directed to a pre-paid card system that enables customers to make purchases using an authorized card. Apparently, *Stimson* uses a “card activation or recharging scenario” to activate or recharge a card with a set dollar amount to “[enable] a user to purchase goods and services up to the pre-paid limit at

any location that accepts said card as payment". Col. 7, lns. 26-31 (emphasis added). *Stimson* reads a card using a card reader, and accepts from a keyboard an amount to be added to the pre-authorized balance. An activation terminal 52 communicates the required information through a modem to a host computer 56 and awaits, receives and displays a response from a host computer 56. The clerk or user is then prompted to provide the required funds and is informed that the security number on the card has been activated for the amount shown. Col. 7, lns. 31-41. Thus, the request for activation or funds is for the user with the pre-paid card which is starkly different from a merchant application for approval for the merchant to transact commerce with a customer who uses a transaction card.

Nothing has been found in *Stimson* that is believed to teach or suggest "a system for automatically establishing a merchant account for transaction card usage" including "a central hub and communication means for providing communication between an agent and a transaction card issuer/processor for submitting a merchant application for approval for the merchant to transact commerce with a customer who uses a transaction card", as recited in Claim 1. To the contrary, instead of establishing a merchant account, the *Stimson* system can activate or recharge a card to enable a user to purchase goods or services only if the merchant is one that already "accepts said card as payment." Col. 7, lns. 30-31.

Accordingly, Applicants submit that Claim 1 is patentable over *Stimson*, and respectfully request withdrawal of the rejection under 35 U.S.C. § 102(b).

Independent Claim 11 includes a feature similar to that discussed above, in which "a merchant application for approval for the merchant to transact commerce with a

customer who uses a transaction card to the transaction card issuer/processor via a central hub” is submitted. Therefore, Claim 11 also is believed to be patentable for at least the same reasons as discussed above. Applicants further submit that nothing in *Ross, Jr. et al.* would remedy the deficiencies of *Stimson*.

Generally, the Office Action cites *Ross Jr. et al.* as disclosing “the process flow for a prospect to become a Host and be fully able to endorse/promote/offer Merchant products.” *Ross Jr., et al.* provides at Col. 6, lns. 12-23:

A merchant representative must login [sic] before performing any system activities. Any valid merchant user will be able to perform all possible actions on the merchant to which it is related. Only registered merchants will have a valid account. An account for a merchant is established when the merchant registers with the system. A merchant representative may initiate registration via a web interface. The signup process must collect basic merchant information, including the information necessary to pay the merchant, and a password, which will be used to create a user account for the merchant. Once the merchant is approved (this may be automatic), the merchant will be sent an email containing a unique user id which can be used to login to the system.

Nothing has been found in *Ross, Jr. et al.* that is believed to teach or suggest “a central hub and communication means for providing communication between an agent and a transaction card issuer/processor for submitting a merchant application for approval for the merchant to transact commerce with a customer who uses a transaction card,” as recited in Claim 1. A combination of *Stimson* and *Ross, Jr. et al.*, assuming such combination would even be permissible, would at best provide a very specific outsourced pre-paid card system accessible by a registered merchant representative through the Web that enables customers to make purchases using an authorized card.

Accordingly, Applicants submit that Claim 11 is patentable over the cited art, and respectfully request withdrawal of the rejection under 35 U.S.C. § 103(a).

The other rejected claims in this application depend from one or the other of the independent claims discussed above and, therefore, are submitted to be patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

This Amendment After Final Action is believed clearly to place this application in condition for allowance and, therefore, its entry is believed proper under 37 C.F.R. § 1.116. Accordingly, entry of this Amendment After Final Action, as an earnest effort to advance prosecution and reduce the number of issues, is respectfully requested. Should the Examiner believe that issues remain outstanding, it is respectfully requested that the Examiner contact Applicants' undersigned attorney in an effort to resolve such issues and advance the case to issue.

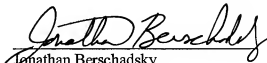
In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

No petition to extend the time for response to the Office Action is deemed necessary for this Amendment. If, however, such a petition is required to make this Amendment timely filed, then this paper should be considered such a petition, and the Commissioner is authorized to charge the requisite petition fee to Deposit Account 06-1205.

In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

Applicants' undersigned attorney may be reached in our New York office by telephone at (212) 218-2100. All correspondence should continue to be directed to our below listed address.

Respectfully submitted,

A handwritten signature in black ink, reading "Jonathan Berschadsky", written over a horizontal line.

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